

WEATHER FORECAST.

Rain to-day, colder to-night; to-morrow cloudy and much colder.
Highest temperature yesterday, 52; lowest, 34.
Detailed weather reports on editorial page.

VOL. LXXXVII.—NO. 87.

NEW YORK, WEDNESDAY, NOVEMBER 26, 1919.—Copyright, 1919, by the Sun Printing and Publishing Association.

IT SHINES FOR ALL

PRICE TWO CENTS.

MARTENS BURNS PAPERS TO KEEP SOVIET SECRETS

Supreme Court May Pass on Refusal to Divulge the Names of His Aids.

\$90,000 FROM TROTSKY

Dudley Field Malone Got \$1,000 and Urged Recognition of Red Regime.

HENRY FORD'S AID SOUGHT

Bait for Peace Held Out in Alleged Offer to Repay Czar's Obligations.

Admission of money paid by the "Ambassador" of the Russian Bolsheviks to Dudley Field Malone, of attempts to open negotiations with Henry Ford, of secret emissaries who continually flit between this city and Moscow, and other revelations were dragged piecemeal yesterday from the lips of Ludwig C. A. K. Martens, "Ambassador" of Trotsky and Lenin, at a hearing of the Lusk Legislative Committee in City Hall.

The burning of some of his papers by Martens in order that they might not be "misinterpreted" by official investigators of this State and the plans which he had laid to address a meeting of the Communist party just before that organization's seventy-one branches were raided as dens of criminal anarchy were also delved into by the committee, while Martens parried certain questions, refused to answer others and occasionally read into the record lengthy statements which had been prepared by Morris Hillquit and Charles Recht, two of his legal advisers.

Just what will be the result of these revelations is not known to-day when he is due to appear, for careful note was taken of all of his objections, which were made upon the ground that many matters on which the committee sought light were private affairs between himself and the soviet government of Russia.

Penal Law Provides Penalty.

There is a provision in the penal law which makes it a misdemeanor for any one to refuse to answer a proper question put by legislative investigators, and the committee members who take the attitude that Martens cannot legally claim the privileges of a representative of a foreign Government intimated that they may call him before a Justice of the Supreme Court for punishment.

One thing that Martens flatly refused to do was to divulge the names of the men who bring him money and messages from Russia and the route that they take on their clandestine missions. Neither would he tell whether any of these emissaries are in this country at the present time. He admitted that he has brought him \$90,000 within the last few months.

The payment made by the local Bolshevik bureau to Dudley Field Malone was revealed through a check book which the committee had subpoenaed, and in view of the fact that it had occurred soon after Mr. Malone was said to have urged the recognition of Soviet Russia at public meetings here the committee became deeply interested in it.

Mr. Martens declared that Mr. Malone had acted with the committee in efforts to arrange for the purchase of \$500,000 worth of goods that were to be shipped to Petrograd and paid for on delivery.

"What did you pay him for what he did?" asked Charles D. Newton, State Attorney-General, who conducted Martens' examination in person.

"One thousand dollars," said the Bolshevik "ambassador."

"That was by check on September 13, this last September?"

"I think it was."

Refers Malone to Answer.

"Has Mr. Malone been speaking for the recognition of Soviet Russia?" he was then asked. "Wasn't this thousand paid him for that service?"

MURDER CREW IS BROKEN UP BY CHICAGO POLICE

Seven Members of Cardinella-Campioni Gang Confessed to Five Killings.

BLUNDER TRAPS THEM

Failure to Hold Up Boy in Poolroom Leads to Detection.

BAND RULED BY TERROR

Robbers Double Crossed by Crafty Chief and Stripped of Their Loot.

Special Dispatch to The Sun. CHICAGO, Nov. 25.—The strongest murder ring that ever operated in Chicago was broken up by the police when they rounded up the Cardinella-Campioni gang, Black Hand bandits who dominated the South Side underworld. To-night seven members of the gang had confessed to five murders. Twelve killings, 150 robberies, 250 burglaries and scores of shootings are charged against the sixteen men held incommunicado by the police.

The seven men who have completed confessions involving themselves and their defiant leaders in an incredible record of organized crime are:

Thomas Erico, Nick Vianna, Leonard Crapo, Frank Campioni, Tony Santoni, Joe Doris and Ben Tortorici.

The names of four of the murdered men given the police are:

Andrew Bowman, saloon proprietor; Benjamin Wendell, electrician for the Commonwealth Edison Company; Albert Kurbalanzo and Santo Orlando, the latter having been a member of the band, who after being killed was robbed. The police withheld the names of the fifth victim.

Capture Follows Blunder.

The capture of the gang, which is rated as one of the police department's greatest achievements, was made possible by a slight blunder on the robbers' part.

A robber gang entered a pool room in West Thirty-third street on November 15, shot and killed Albert Kurbalanzo, rifled the cash register and departed, leaving no visible clue. The gang, however, made one small mistake. In lining up and searching the men in the room they passed up Thomas Erico, a boy well known in the neighborhood.

"That looks funny," said the detective who was sent out on the case. "The kid must have stood in with the gang. He'll be worth talking to."

When at last he had been found he told a story of crime that astounded the detectives who questioned him. He said he belonged to a thoroughly organized band of thieves and murderers which operated systematically and thoroughly in the southern and southwestern portions of the city.

He admitted that this gang had committed a double murder in a saloon, had killed Santo Orlando, a confederate, to keep him from falling into the hands of the police, and had conducted more robberies and holdups than he could count.

Campioni Led Gang.

Frank Campioni, he said, was the leader of the band, though Sam Cardinella, the former chief, still advised and dominated the entire crew.

"There's no use trying to catch them," he said. "They have all sworn to die fighting. They'll kill any men you send after them."

Nineteen sixteen detectives went to Campioni's pool room, the operating headquarters of the gang, and surrounded it. The leaders went to the rear door and knocked.

"What do you want?" one man said. "We want Charley Moore," said the detective. There was a whispered conference which was overheard.

"They don't want us," one man said. "They're looking for some Irishman. Put away your guns and we'll let them in."

The door was opened. Instantly the detectives rushed in with drawn revolvers. The gangsters were taken by surprise and surrendered.

All were sullen and silent at first. Gradually they began to break down. Finally, however, they confessed to the murders and said they were ready to go in court and face punishment.

EUROPE TO GO DOWN TO RUIN UNLESS U. S. EXTENDS ITS CREDIT

Central Nations Are Being Driven to Desperate Measures to Get Food and Raw Supplies—Cannot Pay War Bills.

Special Cable Dispatch to The Sun. Copyright, 1919, all rights reserved. LONDON, Nov. 25.—As a preface to what follows, it may be stated that it is not provoked by a panicky state of mind but is written in the hope of showing that it is absolutely essential for the American public to stand behind the American bankers and give quick aid to prevent a financial catastrophe which threatens to exceed anything the world has ever experienced.

The situation is so serious that its very seriousness in itself is likely to compel the application of a remedy very soon. American bankers either have or will have very soon first hand reports from Central Europe made by their own investigators which will corroborate the statements made below. I have talked with some of these returning investigators for American banks and I am able to sum up their opinions and those of English bankers who also have been investigating the solvency of the Central empires, France, Italy and Russia.

Desperate Situation Throughout All Europe.

Several facts stand out prominently:

1.—Left to itself over this winter Central Europe will be driven to desperate measures to keep its millions of population from starving. This already gives clear indications that it is likely to cause a Russo-German alliance, bringing into view the danger of another war.

2.—Trade in Germany practically is at a standstill because little coal is available, raw materials are very scarce and the harder living conditions already are forcing the Germans to protest. Before spring, these returned bankers say, there will without doubt be another revolution to replace the present Government.

3.—Although attempts have been made by private interests to re-establish relations with Germany and resume trade, these have been without effect because the burden of rehabilitation is too heavy for uncoordinated private initiative.

4.—Depreciation in marks practically has rendered insolvent all German banks. They have no assets other than war bonds and paper currency.

5.—No matter who lends the money to Germany, whether it be a private or a public loan, it must amount to at least \$1,000,000,000 to be effective, and there will be no security for it except the moral obligation of the German people; but unless Germany does get credit with which to buy huge quantities of raw material there is great danger that she will be forced into bankruptcy, dragging France, Italy and Austria, and perhaps Switzerland and Russia into the ruin.

I shall deal with these factors in the order named; there are good reasons for stating them in that order. First is the question of supplies for the coming months. The European economic problem has resolved itself for the moment not into the question of paying war debts but of getting food enough to live and raw materials enough to become self-supporting. After this process has been started, then the question of paying war debts can be considered, but for the United States to continue to pour foodstuffs alone into Germany is folly.

Germany Is Being Driven Into Union With Russia.

The German factories are shut down and she is making no progress toward recovery. She has turned her eyes toward Russia. British statesmen already are pointing to the danger of any economic agreement between Germany and Russia. These statesmen are convinced that if Germany ever succeeds in making such a pact to relieve her urgent need for raw material by drawing on the Russian supplies it will not end there but will revive the military power of the Germans, who will not be satisfied then until they have reversed the decision of the late war.

It is the belief of the returned bankers, however, that Germany is thoroughly sick of war and would rather settle her debts and be at peace unless her former enemies force a different course of conduct by withholding the credit and raw materials that she absolutely must have.

As to the second factor it needs little explanation, since the factories cannot run without more raw materials. One of the returned bankers stated that he had seen many magnificent factory buildings in the best condition standing idle for want of coal and of material for manufacturing.

This leads to the question of revolution in Germany. The Government is blamed for everything and the people believe they can change their condition by changing their Government. It is thought that before spring they will have become disgusted with the Radicals and will force them out, putting in Conservatives. This will be well for Germany, provided it is done without bloodshed or civil war and provided the German people get the right kind of Government.

The outside world would rather lend money to a Government that is not likely to repudiate its debts, as the Radicals might do. Some private interests, such as glass factories and iron and steel mills, have managed to get a fairly good start, but their number is insignificant in the vast majority of industries which are paralyzed.

Question of a Loan Is Vital to Germany.

This brings the problem down to the proposition of who is going to lend to Germany, how much and how soon must it be loaned and on what security; and what will happen if no loans are made. The banks are insolvent; they have a little commercial paper, but it is valueless because it is not negotiable in the outside world; they have no securities.

If they had any gold or securities that could be used as collateral the problem would be simplified, as the Government could hypothecate these and get foreign credits, but practically all the foreign securities owned in Germany have been smuggled out. There is about \$250,000,000 of gold in the Reichsbank, but this could be taken at any time by the Allies and cannot be considered even as a reserve, so that neither the Government nor industry can turn to the banks for aid.

I asked a returned banker what would happen if no loan were made. He replied that Germany probably would get along for three or four months without serious trouble, but as the starvation of the people advanced there probably would be a revolution. The new government would do its best to make an alliance with Russia, but he believed that before this could be accomplished the toll of lives would run into millions.

Failing such an agreement with Russia the only alternative would be national bankruptcy. This would wipe out at one stroke France's hope of receiving payment of the German war indemnities, upon which France is relying to pay her own war debts. Therefore, German bankruptcy would mean French bankruptcy unless the Allies were willing to fund the debt which Germany could not pay. Austria would follow the same course as Germany, and Italy would get no war indemnity.

The welfare of Switzerland already depends on the recovery of Germany, and Russia cannot be stabilized until Central Europe is on its feet, so the whole of continental Europe would go down in this crash if it were allowed to come. The equilibrium of the entire world would be upset, entailing losses everywhere, all for failure to grant credit to Germany and Austria, but principally Germany, at the crucial time, which is now at hand or coming within a very short time.

Only Germany's Word Security for Loan.

As there are none except fixed property assets in Central Europe and these have only a nominal value because at present they are idle and worth not more than their salvage value, any large credit granted to Germany would have to be on her word alone. This would not contain the grave element of risk that might appear at first glance, because the use of these credits, the supplies of raw material purchased with them, the export of the manufactured articles and the collection of the money for them all could be supervised from outside, so that the benefits eventually would come back to those who loaned the money.

As to the size of such a credit, \$1,000,000,000 is the amount that it is generally agreed will be needed, but this is only a rough estimate made by the bankers who have been over the territory. Nevertheless, with events drifting as they are now it would be better for America, England and the other financially able nations to combine and furnish Germany with the money needed and the materials rather than risk either her alliance with Russia or the bankruptcy of Europe.

ITALY TO RAISE FUNDS. CANADA TO CUT TRAINS.

CABINET SPITS ON COAL CRISIS; MADDOO SCORED

All Day Session Fails to Find Basis for Settlement of Long Warfare.

SEEK SOLUTION TO-DAY

Hines Sees Enough Fuel in Sight to Meet All Essential Needs.

TWO CHOICES PRESENTED

Sentiment Strongly Opposed to Taking Over of Mines by Government.

Special Dispatch to The Sun.

WASHINGTON, Nov. 25.—After an all day session, without modern precedent, the Cabinet adjourned to-night without reaching any decision as to settlement of the coal strike.

The President's advisers could agree on only one thing and that was to adjourn the session until 11 o'clock to-morrow morning. Meanwhile the coal operators and the miners' representatives are cooling their heels and waiting for further word from the Government.

Cabinet members were unusually taciturn when they left the meeting at 6:30. Each declared there was no statement to make.

Discussion in the Cabinet centered upon two principal proposals and upon both of them there was, it is understood, sharp disagreement. The proposals were:

1.—The submission to the operators and miners of a basis of settlement unanimously agreed upon by the Cabinet and approved by the President as a fair solution of the problem.

2.—The simple restatement of principles that should be a guide to the operators and to the miners, leaving the problem to them as principals to solve. This in effect would be a determination by the Government to keep its hands off and would leave the miners and operators to agree or fight it out.

Against Taking Over Mines.

So far as could be learned no serious consideration was given to the matter of taking over the mines by the Government. The Government, it is understood, does not want them and foresees the same difficulties of operation in such an eventuality as in confronting the operators now. The view is held by some members of the Cabinet, at least, that taking over the industry by the Government would not afford a solution but would be a mere assumption of responsibility for whatever happens.

Fuel Administrator Garfield and Director-General of Railroads Hines sat through both the morning and afternoon sessions. Every member of the Cabinet except Postmaster-General Burleson.

The principal question before the Cabinet to be solved to-morrow is as to whether the Government will present a proposition and use its moral and legal powers to bring acceptance, or whether it shall stand by and let things go to a finish fight, meanwhile using the powers of coal distribution to prevent acute suffering by the people.

A second proposition, it seems, is an alternative for failure to agree on what the entire Cabinet can consider a fair basis of settlement. So far it has been unable to agree. While no statement will be made with reference to the subject of disagreement there seems little doubt that the points involved are the cost of living figures to be considered in connection with the amount of wage raise the miners are entitled to, and as to how the burden of increased expense is to be distributed, the issue being on how much the operators should take from their profits.

Garfield Basis Called Fair.

The operators announced that they were "in complete accord with the principles stated by Dr. Garfield as a fair and sound basis for a settlement of the coal strike." The comparative figures submitted by Secretary Wilson were characterized as "misrepresentative and misleading," in that he left out of consideration all machine miners and all day laborers. Machine miners now constitute over 80 per cent of the miners employed in the central territory, according to the statement, and men not paid on a tonnage basis comprise 40 per cent of the total employees of the central field.

Dr. Garfield's statement that "the average total increase in pay over the 1917 base, which was the base considered in 1917, should not exceed the present average increase in the cost of living over the same base," was interpreted by the operators to mean that due weight should be given the day laborers as well as the men who mine the coal.

On this basis "the present wage scale represents an average advance of 58 per cent over the scale in effect in 1913," the statement said. This average was computed from the 43 per cent increase to machine miners and the 76 per cent advance to other employees.

"The increase in the actual earnings of the men in Illinois between 1913 and 1918 increased 97.4 per cent, in Ohio 78 per cent, in Indiana 114 per cent, in western Pennsylvania 127 and in the entire central field an average of 90 per cent."

"This does not indicate any deficit in increases granted the miners when it is remembered that up to October, 1918, the cost of living had advanced only 77 per cent above the 1913 basis over the 1917 base."

Continued on Second Page.

ARTS-ORPHEA, FALKS & CO. Members N. Y. Stock Exchange, 71 Broadway—adv.

SENATE REPUBLICANS DEAF TO LEAGUE COMPROMISES; FIRM STAND ON LODGE PLAN

MEXICAN REPLY COMING TO-DAY

Rumor in Southern Capital Newspaper Circles Tells of Answer.

ARMY AND NAVY READY

Washington Cabinet Does Not Conceal Fact That Relations Are Strained.

By the Associated Press.

MEXICO CITY, Nov. 25.—There was a rumor in newspaper circles this evening that the Mexican Government's answer to the American note demanding the release of Consul Agent Jenkins would be given Wednesday. The American Embassy announces that it has received no intimation to this effect.

At the Embassy it was stated to-night that no word had been received indicating that Mr. Jenkins had been set free.

Officials at Puebla continue their investigation of the case of W. O. Jenkins, United States consular agent, witnesses being produced to-day to testify as to the alleged intimacy between Mr. Jenkins and his alleged abductors, Federico Cordova and the latter's aid, Ubea.

Jenkins Refuses Bail.

Mr. Jenkins steadily refuses to give bail, for which he is being criticised in some quarters, as that would insure his immediate release, requested by the American note to the Mexican Government, and at the same time permit the Puebla authorities to proceed in a legal way to complete the investigation. Various Government officials, whose impressions may forecast the attitude to be assumed by the Mexican Government in its reply to the American note, have declared as inexplicable the action of the United States in demanding the release of Mr. Jenkins when Mexican justice, as represented by the Puebla authorities, had not been able to reach a decision as to his guilt or innocence.

By the Associated Press.

WASHINGTON, Nov. 25.—The new flare-up over the Mexican problem growing out of the Jenkins case was given serious consideration to-day at a meeting of the President's Cabinet.

There was no intimation as to what this Government might do in event President Carranza refused to answer the note from the State Department demanding immediate release of William O. Jenkins. In the independent column of the Republic party ballot.

Under the new primary law of the State delegates, designated as proposal men, are elected from all county districts. Toward the end of the struggle the undecided administration demands for ratification without any reservations at all drove him over to the opposition camp, being convinced that Americanizing reservations absolutely were necessary, and that the Administration would fight to the end against their adoption.

U. S. HAS STEAMSHIP CAPTAIN REMOVED

Skipper Taken From Vessel at Rio Janeiro.

RIO JANEIRO, Nov. 25.—Capt. W. H. Chambers of the American Shipping Board's steamship Lake Elwood was removed from his vessel last night by the port authorities on the request, it is stated, of United States officials. It is alleged that the crew refused to put to sea with Capt. Chambers, declaring that under his command the voyage would be unsafe.

The American consular officials had Capt. Chambers removed from command last week but he retained control of the vessel through an order of the court. This order was revoked yesterday. The Lake Elwood sailed from Norfolk September 7 for Buenos Aires. She put into Rio October 8 for supplies, remaining here until midnight last night, when she sailed for Buenos Aires.

The latest reports from the American Embassy showed that Jenkins was still in the penitentiary and ill and that ball had been refused him.

In looking into the various features of the Consular Agent's predicament officials pointed out to-day that under the Mexican constitution State courts had no jurisdiction over cases involving diplomatic or consular officers, such jurisdiction being lodged specifically in the Federal court. It was contended that the Federal court of Mexico could settle the question with one stroke of the pen.

LIBEL INVOLVES EX-PRINCE.

Private Life May Be Barred in Trial in Germany.

FRANKFURT-ON-MAINE, Nov. 25.—The Socialist Assemblyman, Herr Stinckelmeier, a member of the sub-committee which is investigating war responsibility, has accepted a commission from the editors of the Frankfurt Majority Socialist newspaper, The People's Voice, to prosecute National Assemblyman Lattman of Cassel for libel.

The case involves the private life of former Crown Prince Frederick William at his headquarters and behind the lines during the war.

THE Advertising and Publishing Offices of the Sun and Evening Sun have moved into their new home at 280 Broadway.

Ludendorff Is Centre of Royalist Ovation

By the Associated Press.

BERLIN, Nov. 25.—The presence of Gen. Ludendorff in the Imperial pew of the Potsdam garrison church yesterday during a memorial service for Germans who fell in battle, was the occasion for a striking demonstration. Ludendorff, who spoke of military training as an invigorating and moral education, received an ovation and cheers were raised for the former Emperor William.

One of the congregation, dressed in a field gray uniform, rose and exclaimed: "When the hour comes we will all follow you, General," whereupon the whole congregation stood and sang "Deutschland Uber Alles."

At the close of the sermon the preacher, standing on the tomb of Frederick the Great, summoned the congregation to unite in creating a monarchy which would be supported by the will of the people.

SOUTH DAKOTA OUT FOR WOOD

Republican Preference for Presidential Nomination Goes to Army Man.

LOWDEN SECOND CHOICE

Action of District Delegates to Be Ratified in Convention Next Week.

MITCHELL, S. D., Nov. 25.—Reports received at the Republican State headquarters here from the county proposal conventions held in South Dakota on Tuesday, November 18, show that Major-Gen. Leonard Wood, United States Army, will receive the indorsement of the State proposal convention at Pierre, December 2, for the Republican nomination for President and that Frank O. Lowden, Governor of Illinois, will be given the dissenting or minority indorsement.

Proposal men known to be for Gen. Wood in reports thus far received will cast some 80,000 votes, as compared to 8,000 estimated for Gov. Lowden. It is expected that this will be about the proportion in which the total vote will divide. If Senator John of California enters the South Dakota primary it will hold the independent column of the Republican party ballot.

Under the new primary law of the State delegates, designated as proposal men, are elected from all county districts. Toward the end of the struggle the undecided administration demands for ratification without any reservations at all drove him over to the opposition camp, being convinced that Americanizing reservations absolutely were necessary, and that the Administration would fight to the end against their adoption.

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Plot to Kill Greek Premier Confessed

Conspirators Were Officers Under Constantine.

ATHENS, Nov. 24 (delayed).—Plotters who were arrested after the discovery of a conspiracy to assassinate Premier Venizelos, overthrew the present regime and reestablish King Constantine on the throne have made full confessions, according to the reports, that they were officers under King Constantine and will be tried before martial.

A number of the Opposition leaders visited Mr. Rouspoulos, the Minister of the Interior, yesterday and offered to cooperate with the Government in combating sedition. The public remains calm.

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Why President Changed Stand.

A good deal of light is being shed on the parliamentary procedure of the last weeks before the climax of the close of last session. Before the President went on his Western trip he indicated to some of his confidants that he was willing to

Democrats Resort to Propaganda in Effort to Weaken the Majority.

FUTILE SAYS JONES

Washington Member Sure Americanizing Reservations Will Remain.

WILSON BADLY ADVISED

Favored Concessions Until He Had Started on His Tour of the West.

Special Dispatch to The Sun.

WASHINGTON, Nov. 25.—The suggestions of compromise on the form and phrase as well as the purport of reservations to the German peace treaty and League of Nations covenant which followed the defeat of ratification in the Senate last week are falling on deaf ears among the Republican Senators.

Immediately after the treaty was beaten in the Senate the chorus of Administration minstrel tunes up with the new air "